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# **INCOMING TELEGRAM**

# Department of State

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34 CONFIDENTIAL Action Control: 6827 Rec'd: April 11, 1958 FE FROM: Naha 5:41 a.m. Info T0: Secretary of State **RMR** NO: 173, April 11, 5 p.m. SS G SP PRIORITY C L SENT DEPARTMENT 173, REPEATED INFORMATION PRIORITY TOKYO 217. IO INR SENT CINCPAC/POLAD 21 BY OTHER MENAS P UOP Reference DEPTEL 93 to Naha, repeated information 2174. WMSC E HICOM inserted following statement in address to legislature IRC today: "I can now tell you that land acquisition program in DCL Ryukyus is currently being reviewed by the authorities in Washington. I trust that this will further understanding and OCB cooperation between the Ryukyuan people and the United States." USIA CIA Following address in private meeting with party heads, HICOM O\$D said he had instructed the district engineer for the time being ARMY to suspend further acquisition of determinable estate and NAVY authorized party leaders to so inform legislature. AIR HICOM cabling tonight more detailed report his conference with legislators to Washington and Tokyo. C. H. 62-DEMING Action Assigned to /// Action Takeni \_//// BB: CV/1 Action Office S Name of Officer Direction to DCXR

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INDICATE: COLLECT

# Department of State

CONFIDENTIAL Classification

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RPTD INFO: Amembassy TOKYO 2/74

CINCRAC for POLAD HONOLULU

Origin

Info

Naha's 171, sent Tokyo 215, CINCPAC for POLAD 20
Defense this morning forwarded Operations Immediate Message to HICOM

regarding **rem** land problem as follows:

QUOTE State and Defense are currently reviewing single payment/policy.

In view serious character announced opposition of Ryukyuans to present policy and their indicated plans regarding legislative resolutions HICOM should include in his address to Legislature April 11 statement to effect Departments of Defense and State currently reviewing land acquisition program in Ryukyus. UNOOFT

Dist. Desired (Offices Only)

Anal S

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Drafted by:

FE:NA:HLParsons:emb

4/10/58

Telegraphic transmission and

classification approved by:

NA - Howard L. Parsons

DUBLIES SEP

S/S CR ADD 10 1958 A.M.

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Origin	
Jujo:	NO DISTRIBUTION OUTSIDE DEPARTMENT
	LIMIT DISTRIBUTION
	FOR AMBASSADOR FROM ROBERTSON
	In connection evaluation US policy Japan and Ryukyus have under serious
	study possibility return administrative rights Ryukyus to Japan through
	relinquishment treaty rights under Article 3 to all areas except enclaves
	where bases exist. Might also need obtain agreement US retain rights pre-empty
	additional sites for future military requirements. Request priority your
	appraisal feasibility and desirability such action, recognizing of course
Dist. Dusing d	necessity avoid any tendency equate base rights XX in RYUKUS with level
[Offices Only)	base rights in Japan under Administrative Agreement.
	Dale DULLES -
RM Anal	H7
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Orafted by:	Tolographic transmission and classification approved by: FE - Walter S. Robertson
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# SECRET ATTACHMENT

DEPARTMENT. OF STATE EXECUTIVE SECRETARIAT

April 17, 1958

FE - Mr. Zurhellen

Civil Administration in the Ryukyus

5206

I return Mr. Robertson's memorandum on this subject. A note from Mr. Greene to S/S states that the Secretary and Mr. Robertson have agreed that in view of Tokyo's telegram 2707 this project need not be pushed as a matter of urgency.

Alan G. James S/S-RO

Attachment: As stated (S/S 2926)

SECRET ATTACHMENT

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cc:NAJ

THE FOREIGN SERVICE

OF THE

UNITED STATES OF AMERICA

American Consular Unit, Naha, Okinawa,

April 11, 1958.

OFFICIAL-INFORMAL SECRET

Dear Howard:

We appreciate receipt of a copy of Arthur I. Richards' Memorandum of April 2 to Mr. Robertson regarding the progress of negotiations between Defense and State on Ityukyuan problems. It would be interesting to us, of course, to know what the ten points under discussion are and on which agreement has been reached. However, I assume that since these negotiations are being carried out directly between Mr. Sprague and Governor Herter they do not lend themselves to reporting while negotiations are in process. I am very heartened to know that the matter is being taken up in this quiet high-level manner because it would seem to promise greater success than attempting to negotiate in a large interdepartmental committee.

Sincerely yours,

Olcott H. Deming American Consul General

cc: Mr. Horsey

Howard L. Parsons, Esquire,
Director, Office of Northeast Asian Affairs,
Department of State,
Washington, D. C.

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SECRET

DEPARTMENT OF STATE Assistant Secretary

5206

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APR)11 1958

11/

The Secretary To:

Through: From:

Subject:

s/s Robertson

The Return to Japan of the Civil Administration of the

Wyukyu Islands.

By act of war the United States took the Ryukyus from Japan in 1945. Together with the main islands of Japan the Ryukyus were under United States military occupation until April 28, 1952 (the effective date of the Peace Treaty). Although the occupation of the main islands of Japan ceased as of that date, it was continued indefinitely in the Ryukyus under the sanction of the Peace Treaty. However, the "residual sovereignty" of Japan over the Islands was recognized officially in San Francisco by the United States, the United Kingdom and Japanese delegations. On December 24, 1953, the United States returned to Japan the Amami group of the Ryukyus, thereby setting a precedent in Japanese eyes for the eventual return of the remainder of the islands.

The United States military position in the Ryukyus is vital and the treat rights which are the legal foundation for that position are fully adequate. However, in the face of a rising tide of reversionism, nationalism and anticolonialism it is no longer possible to assure the indefinite continuance of our military position by merely standing pat on our treaty rights. Apart from rapidly developing popular opposition on the Islands, the Ryukyus is fast becoming the principal issue in United States relations with Japan. A reasonable adjustment from which we can draw military, political and psychological advantage, not only locally but worldwide, is still possible if we act promptly and boldly. If we fail to act we will be driven from one expedient to another at great cost to our prestige and position in Asia and may at the end find our bases in the Ryukyus untenable and our relationship with Japan dangerously impaired.

Returning administrative rights in the Ryukyus to Japan would have the following advantages:

A. It would provide a more durable basis for the retention of military rights in the Ryukyus so long as conditions of tension and danger in the area remain. The Japanese feel that they are denied territory which was, before the war, a portion of Japan proper. They place it in a different category from Korea and Taiwan, which were territories taken by Japan. They therefore feel that they have a legitimate claim for the return of the Ryukyu Islands. This serves as a basis for strong political pressure against the United States.

FE: NA: CH Pleacher

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By Chara Date 8/12/55

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### SECRET

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- 2. The restoration of Japanese administrative jurisdiction would have a favorable impact on world opinion and would add prestige to the United States position in Asia by demonstrating, through our voluntary action, that charges of colonialism against the United States have no basis in fact.
- 3. It should assist in the alleviation of Japanese pressures growing out of irredentism.
- 4. It would provide an additional step in the regularization of relations between the United States and Japan.
- 5. Since the territory held by the United States would have been returned to Japan, the desire to protect the territory in the event of war should be enhanced inside Japan. This should give an additional incentive to the Japanese for the development with the United States of a mutual security treaty.
- 6. Such action prior to the forthcoming general election in Japan (most probably to be held in late May) should prove beneficial to Prime Minister Kishi and the Liberal-Democratic Party in such election.
- 7. It would provide the initiative to the United States vis-a-vis the Soviet Union in relation to former Japanese territories which are currently administered by the United States or occupied by the Soviets.

Returning administrative rights to Japan could be expected to have the following disadvantages:

- 1. It is to be expected that many Japanese will equate United States bases in Okinawa with United States bases in Japan. Such an equation will lead to pressures inside Japan to restrict United States rights in Okinawa to the level of those in Japan.
- 2. Future requirements for the possible stationing of IREM and missile bases in Okinawa, for which the United States might need to retain the right to pre-empt sites, will likely be accompanied by strong Japanese pressures in relation to the exercise of such rights by the United States.
- 3. It is to be expected that the Governments of the Republic of China and the Republic of Korea will react unfavorably to such action by the United States. The Chinese, the Koreans and many other Asians will fear a return of Japan's expansionism.
- 4. Very serious practical problems will arise in connection with the separation of administrative responsibilities between the United States and Japan; for example, the public utilities system is complex and furnishes utilities both to the base areas and to civilians.

After

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By HARA Date 8/12/55

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- 3 -

After weighing the advantages and disadvantages, I have concluded that, if we can devise a means whereby complete freedom of action for the United States to operate its bases in the Ryukyu Islands could be obtained by agreement with the Japanese, we should take the necessary steps which would provide for the reversion to Japan of administrative rights in the Ryukyus.

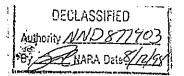
The method most likely to obtain the retention of United States freedom in the use of its bases in the Ryukyus would be the relinquishment by the United States of its treaty rights under Article 3 of the Peace Treaty except with respect to specifically delimited military areas. This relinquishment should be made subject to such conditions with respect to the relinquished areas as may be necessary or desirable. The arrangement would be comparable to the Federal enclaves in various states in the United States over which enclaves the Federal government maintains exclusive power.

Other techniques, such as the relinquishment of the rights over the whole area with the application of the Administrative Agreement with Japan to the Ryukyu Islands or the relinquishment of the rights over the Ryukyuan area with the enumeration of specific rights with respect to bases, appear to be inferior to the technique of retaining treaty rights over the base areas. Tab B covers in more detail an evaluation of these alternatives.

Should it be decided to proceed with the reversion to Japan of the administrative rights in the Ryukyus, the question of consultations with other signatories to the Japanese Peace Treaty and with the United States Senate should be resolved. In the case of consultation with other Treaty signatories, it is well to recall that the return in 1953 of the Amami Oshima group was made without consultation. A complaint was lodged by the British, Australian and New Zealand Governments at that time. It was explained that the United States has this unilateral right in the Treaty. However, the Department did assure the three governments that the United States would consult them before taking any measures with respect to the remaining islands which would involve any substantial relinquishment of the strategic position in those islands. It would appear that the United States strategic position in the islands would not be relinquished by the transfer of administrative rights to Japan. Consequently, consultation with the three governments would not appear to be required on the basis of the assurances given in 1953.

With respect to the consultation with the United States Senate or members thereof, such consultation did not take place prior to the agreement to return the Amami-Oshima group. No opinion is expressed in this memorandum as to whether an agreement with the Japanese would require approval of the United States Senate. Even if not legally required, such approval might be desirable.

Recommendation



SECRET

- h -

## Recommendation

That you sign the attached memorandum for the President (Tab A) which recommends that, after consultation with Secretary of Defense McElroy, we offer, through Ambassador MacArthur in Tokyo, to return to Japan the administrative rights in the Ryukyus, while retaining United States military base rights.

Concurrences

H: There should countering before to have arthur war.

Attachments:

Tab A - Memorandum for the President. Tab B - Detailed Memorandum on Methods of Returning Administration to Japan.

FE:NA:CHPletcher/HLParsons/ L/FE:EMaurer:fhh:emb 4/9/58

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nucl FE - Mr. Green

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DEPARTMENT OF STATE WASHINGTON

SECRET

MEMORANDUM FOR THE PRESIDENT

The Return of the Civil Administration Subject: of the Ryukyu Islands to Japan

I have looked into the question of the feasibility of returning administrative rights in the Ryukyu Islands to Japan. Enclosed is an evaluation of the advantages and disadvantages of offering to the Japanese the administrative rights in the Ryakyus, while retaining present United States military base rights.

After weighing the advantages and disadvantages, I have concluded that, if we can devise a means whereby complete freedom of action for the United States to operate its bases in the Ryukyu Islands could be obtained by agreement with the Japanese we should take the necessary steps which would provide for the reversion to Japan of administrative rights in the Ryukyus.

I recommend that you agree to meet with Secretary of Defense McElroy and me, with a view to making a decision to struct Ambassador MacArthur to approach Prime Minister Kishi and offer to return to Japan the administrative rights in the Ryukyus, retaining present United States military base rights. It would be desirable to announce such a decision before the forthcoming Japanese general elections which will probably be held around May 18, 1958. 85117 Just

John Foster Dulles

Enclosure:

Summary Evaluation of Proposal.

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# SECRET

An Evaluation of the Principal Advantages and Disadvantages of Return of Administrative Rights in the Ryukyu Islands to Japan, Retaining United States Military Base Rights

# <u>Advantages</u>

- l. It would provide a more durable basis for the retention of military rights in the Ryukyus so long as conditions of tension and danger in the area remain. The Japanese feel that they are denied territory which was, before the war, a portion of Japan proper. They place it in a different category from Korea and Taiwan, which were territories taken by Japan. They therefore feel that they have a legitimate claim for the return of the Ryukyu Islands. This serves as a basis for strong political pressure against the United States.
- 2. The restoration of Japanese administrative jurisdiction would have a favorable impact on world opinion and would add prestige to the United States position in Asia by demonstrating, through our voluntary action, that charges of colonialism against the United States have no basis in fact.
- 3. It should give an additional incentive to the Japanese for the development with the United States of a mutual security treaty.
- 4. Such action prior to the forthcoming general election in Japan (most probably to be held around May 18) should prove beneficial to Prime Minister Kishi and the Liberal-Democratic Party in such election.
- 5. It would provide the initiative to the United States vis-a-vis the Soviet Union in relation to former Japanese territories which are currently administered by the United States or occupied by the Soviets.

#### Disadvantages

1. It is to be expected that many Japanese will equate United States bases in Okinawa with United States bases in Japan. Such an equation will lead to pressures inside Japan to restrict United States rights in Okinawa to the level of those in Japan.

2. Future

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- 2. Future requirements for the possible stationing of TRBM and missile bases in Okinawa, for which the United States might need to retain the right to pre-empt sites, will likely be accompanied by strong Japanese pressures in relation to the exercise of such rights by the United States.
- 3. It is to be expected that the Governments of the Republic of China and the Republic of Korea will react unfavorably to such action by the United States. The Chinese, the Koreans and many other Asians still fear a return of Japan's expansionism.
- 4. Very serious practical problems will arise in connection with the separation of administrative responsibilities between the United States and Japan; for example, the public utilities system is complex and furnishes utilities both to the base areas and to civilians.

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#### SECRET

# Possible Methods of Relinquishing to Japan Rights in the Ryukyus, Retaining United States Military Base Rights

There are several ways, technically, in which the United States might relinquish administrative rights in the Ryukyus to Japan while retaining United States military base rights. Three ways which appear feasible are:

- (1) The United States might relinquish in favor of Japan all rights and interests in the Ryukyus under Article 3 of the Japanese Peace Treaty with respect to administration, legislation and jurisdiction, except as to specifically delimited areas to be retained for military purposes, as to which the United States would retain its Article 3 rights of administration, legislation and jurisdiction. This arrangement would be comparable to the Federal enclaves, including military reservations, in the various states, over which enclaves the Federal Government maintains exclusive power under Article 1, section 8, clause 17 of the United States Constitution.
- (2) The United States might make the same relinquishment with respect to the whole area of the Ryukyus, at the same time getting the agreement of Japan that specifically delimited bases would be used by the United States in accordance with the Administrative Agreement with Japan. This is the procedure we followed in the executive agreement on the relinquishment of the Amami Islands, TIAS 2895, where the military wished to continue the use of certain installations. Insofar as the Administrative Agreement with Japan was considered too restrictive, it was broadened by understandings embodied in unpublished minutes which constitute part of the Amami Islands agreement.
- (3) As an intermediate arrangement between (1) and (2) above, the United States might make the same relinquishment with respect to the whole area of the Ryukyus, at the same time retaining certain specifically enumerated rights with respect to the bases. This is comparable to the procedure we followed in terminating the occupation regime in Germany, TIAS 3425.

Course

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-2-

Course (1) has the obvious advantage of leaving us full rights within the bases rather than the limited rights of the Administrative Agreement. It would leave us in the bargaining position of being able in the future to agree to restrict these rights in such a way as might prove feasible. It would have the further advantage of leaving our rights in the Ryukyus as being based directly on the Peace Treaty without an intervening agreement. It would have the disadvantage, unless arrangements otherwise were made, of burdening the United States administration with legislative and judicial functions in the base areas.

Course (2) would amount to a restoration of complete sovereignty over the islands to Japan, with the United States securing its rights by contract and grant from Japan, in a similar way the United States now holds facilities in Japan.

Course (3) involves giving back to Japan considerable powers, but retaining certain powers in the United States under the Treaty.

Whether Courses (1), (2) or (3) are followed the agreement with Japan should in addition to the bases proper cover the following and possibly additional matters:

- (a) rights of access to the bases by air, water and land, including availability of utilities;
- (b) taxation, customs, criminal jurisdiction and other typical status of forces matters;
- (c) Japanese assumption of certain, if not all, USCAR and CRI financial obligations, including responsibilities in respect to currency;
- (d) recognition by Japan of validity of actions taken by the United States or GRI;
- (e) Japanese waiver of claims arising out of presence and actions of United States forces and United States administration.